**Introduction**

Changes in demand and supply

**Paragraph 1**

- Movement along a demand curve represents a change in the quantity demanded due to changes in the price of a commodity, ceteris paribus (Mankiw, 2018)

- For example, an increase in the cost of a product from $5 to $10 could precipitate a decline in the quantity demanded from 30 to 15

**Paragraph 2**

- The shift in the demand for a commodity hinges on numerous factors; one factor is income (Mankiw, 2018)

- If the consumers’ income increases, the quantity demanded also expands, resulting in an outward shift in the demand curve; this is known as an outward shift in the demand curve

**Paragraph 3**

* Production costs are one of the numerous factors affecting production (Frank et al., 2016)
* If the costs of production decline, this allows producers to increase their profitability, motivating them to increase the supply